Ministry of
Advanced Education

2001/02
Annual Report
A New Era Update

BRITISH
COLUMBIA

Ministry of
Advanced Education

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Introductory Note — A Year of Transition

The Government of British Columbia and its ministries are committed to reporting on performance. The *Budget Transparency and Accountability Act* (BTAA), as amended in August 2001, provides the legislative framework for a regular cycle of planning, reporting and accountability. Under the BTAA, ministries are responsible for producing three-year service plans (previously called performance plans), which are updated yearly, and annual service plan reports (formerly called performance reports). The amended BTAA takes effect beginning with the 2002/03 fiscal year. The first three-year service plans, covering the period 2002/03 to 2004/05, were released with the provincial budget on February 19, 2002.

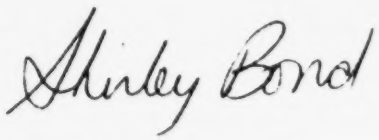
This annual report relates to the previous fiscal year, covering April 1, 2001, to March 31, 2002. This was a transition year, with a new government sworn into office on June 5, 2001. On that day, there was an extensive reorganization of ministries, which were given significant new policy direction and tasked with the responsibility for implementing the government's *New Era* commitments. Later in the year, ministries proceeded through the core services review, which refined the mandates of ministries and identified the strategic shifts required to move government toward its long-term objectives.

This report provides an update on all that activity and also provides a report on performance, approaching the model provided by the BTAA as closely as is possible in the circumstances. An annual report would normally relate back to a preceding plan and report on the results achieved compared with the intentions outlined in that plan. In this case, the preceding plan was produced before the adoption of the significant changes outlined above, and as noted, this ministry has been significantly reorganized, and policies and priorities have changed. This limits the extent to which performance information as described in the previous plan is useful.

Consequently, this report sets out the ministry's redefined role and the services it provides, and — within the context of its goals and objectives as they evolved through the year — describes the achievements of the ministry and the performance targets being used to measure success.

Accountability Statement

The 2001/02 Ministry of Advanced Education Annual Report was prepared under my direction and I am accountable for the results the ministry achieved since June 5, 2001. This report describes progress made in this first year on the government's *New Era* commitments, which are to be addressed by May 17, 2005.



Hon. Shirley Bond
Minister of Advanced Education

June 26, 2002

BRITISH COLUMBIA

Ministry of Advanced Education

I am pleased to present, on behalf of the Ministry of Advanced Education, an overview of achievements in the year 2001-2002 and ongoing work.

This past year has been one of change worldwide, as governments, industry and post-secondary education institutions come together to meet the many new challenges of the 21st century. British Columbia is among those pioneering a new education and training model to ensure its' citizens have the education and skills they need to compete in the new economy.

The B.C. government is optimistic about the future of post-secondary education, although getting from where we are to where we need to be will inevitably require some difficult decisions. Our province has the talent, the will, and the strategy to work through these challenges and accomplish great things in post-secondary education.

This past year we undertook a core services review. Every activity was assessed as to whether it was a core activity that was essential for post-secondary students, and whether it was being carried out as effectively and efficiently as possible.

This process resulted in significant changes as the ministry sharpened its focus. Specifically the ministry made strides towards expanding the capacity to train health care professionals; securing quality, affordable post secondary education opportunities for British Columbians; and repositioning our province to better meet the needs of students, industry and communities in the coming years.

Our *New Era* direction and the results of the core services review provide the catalyst for a new strategy that will set British Columbia on a new course.

The role of the Ministry of Advanced Education is to provide leadership and support for a top-notch advanced education and training system for B.C. post-secondary students. We will continue to work with all partners in the system to make sure post-secondary education fulfils its potential, is managed efficiently, meets the needs of students and produces value for the taxpayer dollars invested in it.

I am very proud of what the ministry has accomplished this year. I would like to thank all ministry staff, and the management team, headed by Gerry Armstrong, Deputy Minister, for their hard work and commitment during this transition year.

Shirley Bond

Hon. Shirley Bond
Minister of Advanced Education

Deputy Minister's Message

I am pleased to present the Minister of Advanced Education with the Ministry of Advanced Education Annual Report for the year 2001/02. This report provides a summary of the Ministry's performance and an accounting of the funds expended during the fiscal year.

This Report is a key element of our accountability to British Columbians. In accordance with the amended *Budget Transparency and Accountability Act*, it represents our commitment to the free flow of information regarding government business.

This past fiscal year saw major changes in the Ministry of Advanced Education. The core services review provided the impetus to define goals and develop the strategies to achieve them.

In direct response to the commitment to contribute to the health and well being of this province, in August 2001 the Ministry added 177 new nursing seats. This was the first step in a plan to expand training and post-secondary programs to graduate more Registered Nurses, Licensed Practical Nurses and Care Aides. Due to these seats, and seats added in 2000/01, approximately 500 additional graduates per year will enter the workforce beginning in 2004/05. Further to this, we announced a program of forgivable student loans for nursing and medical students who, upon graduation, commit to working for five years in underserved communities.

Finally, this Ministry began the restructuring of the province's industry, training and apprenticeship system, which must become more responsive to the needs of students, business and the economy.

The Ministry, along with its education partners and private sector partners, is well positioned to support the vision for post-secondary education that is necessary to place British Columbia in a secure position to succeed in the 21st century.

Sincerely,

Gerry Armstrong
Deputy Minister

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Year-at-a-Glance Highlights

In addition to reporting on performance measures, this Annual Report provides the Ministry with the opportunity to outline its achievements during the past year for British Columbians. The Ministry's major initiatives and activities in 2001/02 are described below.

- $134 million expenditure for construction of a Life Sciences Centre at the University of British Columbia and facilities at the University of Northern British Columbia and University of Victoria was approved which will allow for expansion of physician training in the province. This expenditure will support a new collaborative model of medical education that has been developed by the three universities and will be implemented in Fall 2004. Under this model, students in the four-year undergraduate Doctor of Medicine program will complete a portion of their education at UBC and the remainder at either UBC, University of Victoria or University of Northern British Columbia. The expanded program will increase the provincial medical student intake from the current level of 128, to 200 in 2004, and 224 in 2005.
- A $21 million package of nursing initiatives to address the province's nursing shortage and improve working conditions for nurses was announced. The package includes a number of initiatives such as more education and training spaces in nursing programs, forgivable student loans, and more English as Second Language training for foreign-educated nurses.
- As part of the Ministry's continuing work toward the establishment of the Leading Edge Endowment Fund (LEEF), consultation with The University Presidents' Council of British Columbia, industry groups and other stakeholders took place during fiscal 2001/02. As well, planning, research and other related tasks were completed and an implementation plan was finalized. In fiscal 2001/02, $27.7 million was disbursed towards the LEEF, $25.5 million of which was from the Ministry of Advanced Education. Criteria for establishing Chairs along with an implementation plan will be developed by the fund for 2002/03.
- In January 2002, the *Public Education Flexibility and Choice Act* was passed by the Legislature. Part 1 of the Act affects provisions in various collective agreements that could have an adverse impact on access by setting limits on class sizes and the assignment of faculty. This Act allows public colleges, university colleges and institutes to increase access for students by increasing class size and flexibility in scheduling.
- During the fall of 2001, the Minister of Advanced Education conducted an extensive consultation process on tuition with students, educators and education administrators throughout the province. Based on the results of this consultation, a decision was made in March of 2002 to deregulate tuition levels at all public post-secondary institutions in BC. This deregulation returns autonomy to the individual institutions to determine the appropriate tuition levels at their institution. Institutions will report back to the Select Standing Committee on Education on how they have invested the increased revenue to the benefit of students.
- Simon Fraser University was selected to assume responsibility for students and assets of the Technical University of British Columbia. As an established university with a national reputation, SFU will offer students the same range of programs previously available at TechBC. This will help ensure continuity for TechBC students currently in mid-program, as well as provide new options and increased student spaces at SFU for students wishing to pursue a high-technology education.

- A Federal/Provincial Agreement for Older Worker Pilot Projects was negotiated. This $1.4 million agreement resulted in the implementation of 15 pilot projects throughout the Province to assist unemployed workers aged 55-64 to remain in the labour market. The projects will operate until March 31, 2003.
- The core services review included a review of the administration of industry training in British Columbia. The review included stakeholder consultation and an examination of the delivery of industry training and apprenticeship programs. As a result of the review, the government decided to phase out the Industry Training and Apprenticeship Commission and implement a new approach to industry training and apprenticeship for British Columbia. The new industry training and apprenticeship system will be more flexible, efficient and responsive to student and industry needs.
- As part of the administrative justice project and core services review, the Private Post-Secondary Education Commission (PPSEC) was examined to identify opportunities to eliminate unnecessary regulations, policies and procedures. As a result of the review, Cabinet announced a decision to replace PPSEC with a self-regulating, cost-recovery board consisting of industry representatives. A new regulatory model will be developed. Until the transition to the new model is complete, the legislation and regulations for PPSEC will remain in place.

Ministry Role and Services

The Ministry of Advanced Education provides overall funding and program coordination for British Columbia's public post-secondary education and training system. The Ministry administers 20 provincial statutes governing public and private post-secondary institutions and some professions.

Management of the public post-secondary education and training system is a collaborative effort between the Ministry and the province's post-secondary institutions. The Ministry provides leadership and direction, establishes policy and accountability, and provides funding through operating grants for the post-secondary institutions and contributions towards capital projects. The post-secondary education institutions deliver programs and courses, provide education and training to students, and undertake research.

In British Columbia, post-secondary education and training is delivered through public and private institutions. In the public system, students have the choice of traditional and specialized universities, university colleges, community colleges, provincial institutes and the Open Learning Agency. Overall, the system provides a comprehensive range of post-secondary education and training programs, including adult basic education, industry training, career technical, academic, vocational and continuing education programs. Successful program completion provides students with a certificate, diploma, baccalaureate or graduate degree.

Post-secondary education provided by the private sector is also consistent with government's commitment to access and choice in education. Several new initiatives are underway to ensure more opportunities for students and a level playing field for private institutions. In 2001/02, over 1,100 private post-secondary institutions were registered to operate in the province. Of these, 14 are offering degree programs in BC from their home jurisdictions and approximately 240 are accredited. Accreditation is a requirement for designation (eligibility) for student financial aid in British Columbia.

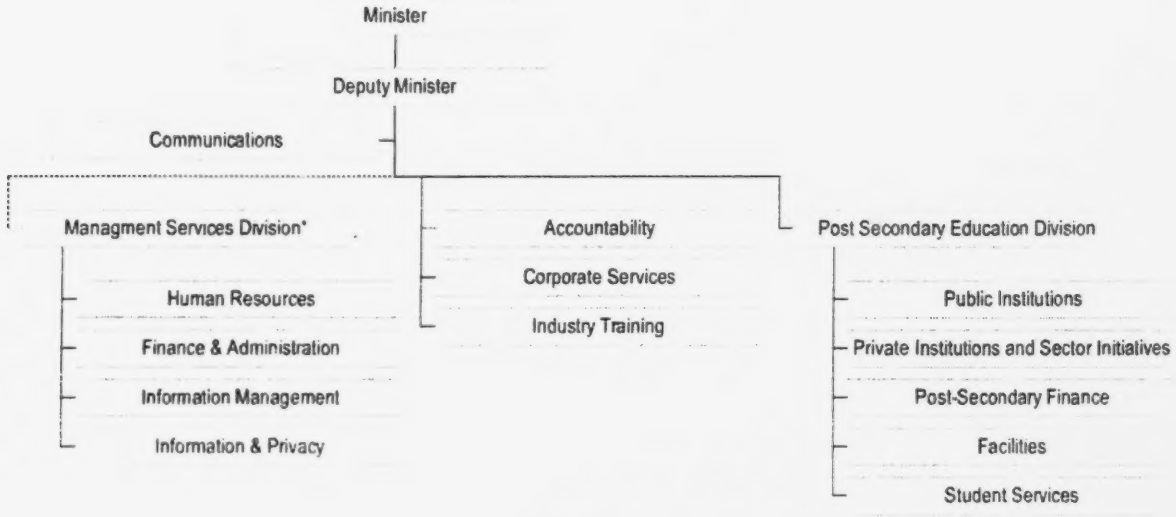
The Ministry is also responsible for student financial assistance programs that provide loans and grants to eligible students to cover educational and living costs while they are enrolled in post-secondary studies.

On January 17, 2002, as a result of the outcomes of the core services review process, a major reorganization of the Ministry of Advanced Education was announced. This new organization reflects the new goals and objectives of the Ministry. The following section provides a brief overview of this new structure.

Ministry Structure

On March 31, 2002, the Ministry was organized into two divisions, three central service branches and the communications branch. Each of these divisions and branches reports to the Deputy Minister who provides co-ordination and administrative direction to the Ministry. The responsibilities of each of the divisions and the branches are briefly summarized below.

Ministry Organization as of March 31, 2002



*Note: Management Services Division provides central services to the Ministry of Advanced Education, the Ministry of Education and the Ministry of Skills Development and Labour. The budget is in the Ministry of Education Estimates.

Post Secondary Education Division

The Post Secondary Education Division manages the overall funding and program co-ordination for the public post-secondary education system including policy and strategic planning and student financial assistance programs. The division contains five branches: Public Institutions, Private Institutions and Sector Initiatives, Post Secondary Finance, Facilities and Student Services. The main responsibilities of each of the branches are as follows:

- *Public Institutions:* provides leadership, direction and support to all of British Columbia's public post-secondary institutions as well as managing an array of advanced education programs and issues.
- *Private Institutions and Sector Initiatives Branch (PISIB):* is responsible for managing a range of private education and training policy issues and providing leadership and support to private degree granting institutions, private institutions that offer career-related training and other private sector education and training stakeholders.
- *Post Secondary Finance:* is responsible for corporate budget management; development of operating grants for public post-secondary institutions; development and maintenance of financial information systems; and the financial management of all post secondary contributions, including capital debt.

- *Facilities:* manages the development of capital plans and expenditures for all the public post-secondary facilities including: capital planning; budget development; facilities upgrading; capital leases; capital equipment; risk management; cyclical and deferred maintenance programs; and, WCB issues at institutions.
- *Student Services:* the primary responsibility of the Student Services Branch is the administration of the British Columbia Student Assistance Program (BCSAP). BCSAP is a comprehensive program of federal and provincial financial aid available to students at the post-secondary level.

Management Services Division

The Management Services Division provides budgeting, financial, administrative, information technology, information management, freedom of information, protection of privacy, and human resources services, for the Ministry of Advanced Education, Ministry of Education, Ministry of Skills Development and Labour, the Industry Training and Apprenticeship Commission, Workers Compensation Review Board, Labour Relations Board and other smaller agencies.

Central Service Branches

These three branches provide corporate policy, research and planning services, including strategic planning.

- *Corporate Services Branch* is responsible for providing leadership, expertise and support to ensure the Ministry of Advanced Education is successful in fulfilling its *New Era* Commitments, and in advancing the Ministry's and Government's priorities at the provincial, federal/provincial, intergovernmental, and international levels. This includes managing the Ministry's legislative and strategic policy agendas; supporting inter-governmental relations, negotiations and agreements; and managing the international education program and board appointment process.
- *Industry Training Branch* is responsible for working in conjunction with industry stakeholders to develop and implement a more flexible, industry-driven, competency based training system to address the skill shortage challenge. The Industry Training Branch is working with the Industry Training and Apprenticeship Commission to wind down the Commission's activities as the new industry training system is implemented.
- *The Accountability Branch* is responsible for developing and implementing an accountability framework; conducting evaluations of Ministry programs; corporate planning and reporting, developing and maintaining the Central Data Warehouse for college student data, funding and coordinating the annual student outcomes surveys, and developing labour market information products and services.

Communications Branch

The Communications Branch has broad corporate responsibilities to guide and support the Ministry through all communications-related activities, including issues management and media relations, strategic communications, ministry and ministerial correspondence, publications, events, public information materials and a toll-free inquiries line.

Boards, Commissions and System Agencies

In addition to the work undertaken within the Ministry itself, a number of boards, commissions and system agencies receive funding from, and report to, the Ministry. These include:

- *BC Council on Admissions and Transfer (BCCAT)* — provides leadership and direction in facilitating articulation, transfer and admission arrangements among BC post-secondary institutions. (www.bccat.bc.ca).

- *Centre for Curriculum Transfer and Technology (C2T2)* — an independent society which promotes excellence in post-secondary education by encouraging innovations in teaching, learning and assessment; working toward long-term, systemic improvement in education; and developing flexible means to facilitate student transitions and lifelong learning. (www.ctt.bc.ca).
- *Centre for Education Information Standards and Services (CEISS)* — an independent society that provides research and technology services to the post-secondary education system in B.C. (www.ceiss.org).
- *Industry Training and Apprenticeship Commission (ITAC)* — was established in November 1997 to administer the apprenticeship and training system. ITAC reports jointly to the Ministries of Advanced Education, and Skills Development and Labour. The Industry Training Branch is working with ITAC to wind down its activities as the new industry training system is implemented. (www.itac.ca).
- *Private Post-Secondary Education Commission (PPSEC)* — provides consumer protection, encourages integrity and high standards within the private post-secondary sector, and administers the registration and accreditation of private post-secondary institutions. A review of PPSEC was conducted during the fiscal year, and in February 2002, Cabinet announced a decision to replace PPSEC with a self-regulating, cost-recovery board consisting of industry representatives (www.ppsec.bc.ca).
- *British Columbia Centre for International Education (BCCIE)* — a non-profit society that promotes and coordinates international education activities on behalf of the public post-secondary education system.[1] (www.bccie.bc.ca).
- *Contract Training and Marketing Society (CTM)* — a society established in 1997 that acts as a single contact point or referral agency to facilitate the development of programs and services in response to training or learning needs of government, agencies, employers and community groups.[2] (www.ctms.org).

2001/2002 — A Transition Year

This annual report relates to the fiscal year of April 1, 2001 to March 31, 2002, which was a transition year as a new government was sworn into office on June 5, 2001. This report provides an update on all Ministry activity during the fiscal year and also provides a report on performance measures. The performance measures and targets for most current Ministry activities supplied in the Ministry's 2002/05 Service Plan had not yet been fully developed during the 2001/02 fiscal year. However, this Annual Report will report on the current status of performance measures that were carried over from the 2001/04 Performance Plan, as well as those contained in the 2002/03 - 2004/05 Service Plan. Many of the performance measures in the Service Plan are still under development, however, this Annual Report sets out the overall structure and framework that will be used for future annual Service Reports.

The first full Service Report required under the BTAA is the report on the 2002/03 fiscal year, which will be based on the commitments made in the 2002/03 - 2004/05 Service Plan. This plan was tabled with the Budget in February of 2002, and can be viewed on the Ministry's Web site at (www.gov.bc.ca/aved).

[1] As a result of the core services review, the decision was made in 2001/02 to cease funding provided to BCCIE after March 31, 2002.

[2] As a result of the core services review, the decision was made in 2001/02 to cease funding provided to CTM after March 31, 2002.

Ministry Profile

Vision

The Ministry of Advanced Education envisions a province where all British Columbians have affordable access to the best possible, technologically advanced, integrated and accountable post-secondary education system.

Mission

The Ministry of Advanced Education provides leadership and support for a top-notch advanced education and training system that provides all British Columbians with opportunities to develop the skills and knowledge they need to live productive and fulfilling lives, and to contribute to the changing economic, social, and cultural life of the province.

Values

The following values guide the Ministry in its work:

- A student-centred post-secondary education system.
- Excellence, innovation and continuous improvement.
- Relevance and responsiveness of the post-secondary education system.
- Life-long learning opportunities for all British Columbians.
- A positive and supportive working environment.
- Effective working partnerships.
- Greater equity and equality for British Columbians.
- Results-based accountability.
- Fiscal responsibility.

Given these core values and the new strategic direction for the Ministry, at the November 7, 2001 open Cabinet meeting approval was given for the following strategic shifts for the Ministry of Advanced Education, and the post-secondary education system.

- **More choice for students** — to ensure the system serves students better and more flexibly, and to allow students to take advantage of the increasing array of choices, which include more on-line learning and part-time learning.
- **More accountability to taxpayers** — to focus on success by encouraging the acceptance of explicit results-oriented accountability by the post-secondary system.
- **Better alignment between the costs and benefits** — to ensure that the costs of post-secondary education are aligned with the benefits it provides. This implies determining the appropriate share of costs between government, students, families, and the private sector.
- **Better links to the public interest and the economy** — to create closer and more effective links Between the post-secondary education system and the economy and the public interest.
- **Coherent and integrated public system** — to reshape public post-secondary institutions into a more coherent, integrated system with differentiated institutions working together in a complementary manner.

To achieve the strategic shifts, Cabinet also approved a "nine-point plan" of major initiatives for the Ministry to undertake between the fiscal years 2002/03 and 2004/05. The nine points are:

- **Creating more choice for students** — the Ministry will work on a series of measures to provide more choice. On-line learning will be enhanced. Transferability of credits earned between institutions will be expanded and made easier. The potential for pursuing degrees from a wider variety of quality institutions, both public and private, will be explored.
- **Build bridges to students** — more inclusive and direct communications between government and students will be established. It is important to know what students want and are thinking about in order to make the system more relevant to their needs.
- **Rationalize student financial aid programs** — the various student financial assistance programs will be combined into a more coherent, integrated and understandable program. The Ministry will also work toward reducing student loan default rates.
- **Review tuition policy** — the Ministry will develop a tuition policy to replace the current tuition fee freeze. The policy will seek to balance the appropriate costs of education between government, students and families.
- **Overhaul funding formula** — the funding formula will be changed to reflect the government's goal of increasing accountability. Funding will be focused on results. Colleges, university colleges and institutes, like universities, will receive block funding that will allow them to become more autonomous while continuing to provide information that will report on the effective use of public funds.
- **Clarify roles and mandates** — this review of the roles and mandates will promote more cooperation among institutions. Clearer mandates and more integration among the differentiated set of institutions will provide students with the programs and courses they need, in the form and at the times they want them.
- **Forge links between education and the economy** — links will be forged in a variety of ways. The private sector will be approached to increase their financial support for post-secondary education, for example, through establishing research chairs at universities jointly funded with government. A program of personnel interchanges will bring experts from the institutions into government to help provide expertise on various policy issues. A Minister's Advisory Council will be created to bring together the system's stakeholders to ensure better focus on priorities and achieving the strategic shifts. The Ministry will also work with Intergovernmental Relations to ensure that B.C. maximizes its share of federal research funds.
- **Refocus and reorganize the Ministry** — internal changes to the Ministry are required so it can focus its efforts on delivering the strategic shifts. A smaller Ministry will focus on achieving the *New Era* commitments and moving towards results-based management.
- **New legislation in 2002** — several legislative changes will be required to address many of the changes described above. New legislation will be introduced to enhance degree-granting opportunities including the private sector. Legislation will be required to implement the new tuition policy. Other legislation may be required as a result of the Core Services Review and budget process or from future discussions with stakeholders.

Ministry Goals and Objectives

The Ministry nine-point plan led to the development of a series of goals, objectives and performance measures that were identified in the Ministry of Advanced Education Service Plan for 2002/03 - 2004/05. Although these goals and measures were not in place at the beginning of the reporting period for this report, they do represent the significant shift in Ministry direction that took place during the 2001/02 fiscal year. As a result, these goals will form the basis for the reporting section of this report. During the development of the 2002/03 - 2004/05 Service Plan (www.gov.bc.ca/aett), three goals and nine strategic objectives were established for the Ministry. These goals and objectives are outlined below.

Goal 1 — A Top-Notch Post-Secondary Education System

To provide students with an accessible, affordable, high quality and relevant post-secondary education.

Strategic Objectives

1. Promote a more efficient and integrated post-secondary education system
2. Enhance student choice
3. Improve quality of education
4. Balance the costs and benefits of post-secondary education

Goal 2 — Economic and Social Development

To provide students with the skills and knowledge for the workforce and the economy, and to respond to critical shortages in the labour market.

Strategic Objectives

5. Address shortages in strategic skills areas
6. Expand training and skills development
7. Expand research capabilities in the province

Goal 3 — Responsive and Effective Management

To provide students with financial assistance services, and provide leadership to the post-secondary education system.

Strategic Objectives

8. Improve ministry business practices
9. Develop a post-secondary education accountability framework

The goals listed above link directly with the Ministry core businesses as identified by the core review process (see Table 1) and with the overall government priorities as illustrated in Table 2. Based on the Ministry goals and objectives, 22 measures were selected to measure the performance of the Ministry and the post-secondary education system. A comprehensive analysis of these measures begins on page 17

Table 1 — Ministry Core Business

Core Business	Ministry Goal
Educational Institutions and Organizations The Ministry provides base funding to four traditional universities and two specialized universities*, five university colleges, eleven community colleges, three provincial institutes, two Aboriginal institutes and the Open Learning Agency.	A Top-Notch Post Secondary Education System Economic and Social Development
Industry Training and Apprenticeship The Ministry works to expand training opportunities in industry growth areas, particularly high tech and other knowledge industries, and to promote awareness of industry training and apprenticeships among young people.	Economic and Social Development
Student Financial Assistance Programs Student financial assistance is a comprehensive program of financial aid available to students at the post-secondary level. It combines repayable loans, and non-repayable assistance in the form of grants and debt reduction measures, awarded on the basis of each student's financial need. Additional assistance is provided through Special Programs (e.g. Loan Forgiveness for Doctors/Nurses, Nurses Education Bursary, and grants to students with disabilities).	Economic and Social Development Responsive and Effective Management
Debt Service Costs and Amortization of Prepaid Capital Advances The Ministry provides funding to finance capital projects, including upgrades, renovations, replacements, expansions and new facilities.	A Top-Notch Post Secondary Education System
Program Management The Ministry provides leadership and direction, establishes policy and accountability, and provides funding to the system.	Responsive and Effective Management

* Note: In 2001/02, the Ministry funded TechBC. In February 2002, Cabinet announced that Simon Fraser University would assume responsibility for the students and assets of TechBC, and the Ministry would no longer directly fund it.

Table 2 — Links to Government Priorities

Government Priority	Ministry Goals	Clarifying Remarks
A top-notch education system for students of all ages.	A top notch post secondary education system	The Ministry provides leadership, policy direction and funding for the post-secondary education system in B.C.
High quality health care services that meet all patients' needs where they live and when they need it.	Economic and social development	The Ministry funds spaces in nursing and medical programs, courses for foreign trained nurses and doctors, and administers a loan forgiveness program for new nurses and doctors who work in under-served areas of the Province.
A thriving private sector economy that creates high paying job opportunities.	Economic and social development	The Ministry ensures that the public post-secondary education programs are relevant and responsive to the needs of the economy and labour market, and that learners are prepared for a changing and increasingly technological workplace. The ministry also acknowledges the role of the private post-secondary education and training sector.
The fastest growing technology industry in Canada.	Economic and social development	The Ministry encourages a growing technology sector. The Ministry will double the annual number of computer science, electrical and computer engineering graduates, and support research and development activities at the public post secondary level.
Greater equity and equality for British Columbia in Canada.	A top notch post secondary education system Economic and social development	The Ministry provides equitable opportunities to attend public post secondary education for all students.
The most open, accountable and democratic government in Canada.	Responsive and efficient management	The Ministry treats its clients and stakeholders in a fair and transparent manner.
Responsible, accountable management of public resources and tax dollars.	Responsive and efficient management	The Ministry ensures accountability, effective use of resources, and long term stability of the post-secondary education system.

Update On *New Era* Commitments

On June 25, 2001, the Premier wrote to all Cabinet Ministers and identified the specific *New Era* Commitments for which they would be directly responsible. These *New Era* Commitments focused the development of goals and objectives for the Ministry for 2001/02 and subsequent fiscal years. Table 3 identifies the *New Era* Commitments that are specific to the Ministry of Advanced Education (AVED), and updates the progress to date on these commitments.

Table 3 — Status of *New Era* Commitments

New Era Commitment	Current Status
Double annual number of graduates in computer science, and electrical and computer engineering, within five years.	• With input from the post-secondary system and industry, AVED identified a target of 880 new degree graduates by 2006/07 to meet the commitment. In order to meet this target government will provide funding for a total of 3,400 new spaces over a five year period beginning in 2002/03.
Increase investment in technological research and post-secondary skills training and, with Ministry of Finance, increase research funding for colleges, universities and institutes.	• AVED will meet this commitment through establishment of the Leading Edge Endowment Fund and through its continuing work with Intergovernmental Relations officials to develop strategic approaches to increase access to federal research funding. Refer to the status update under each of these initiatives. • AVED also continues to administer the British Columbia Knowledge Development Fund (BCKDF), which was established to enhance the province's research infrastructure through provision of capital funding for public post-secondary institutions, teaching hospitals and affiliated non profit agencies.
Establish a "Leading Edge Endowment Fund" based on cost-sharing partnerships with the private sector, to establish 20 permanent BC Leadership Chairs across the province in the fields of medical, social, environmental and technological research.	• AVED undertook consultation with post-secondary representatives, industry groups and other stakeholders as part of its continuing work toward the establishment of the Leading Edge Endowment Fund (LEEF). As well, planning, research and other related tasks were completed and an implementation plan was finalized. In fiscal 2001/02, $25.5 million was disbursed towards the LEEF. Criteria for establishing Chairs along with an implementation plan will be developed by the fund for 2002/03.
Strengthen our network of colleges, institutes and on-line learning throughout the province.	• In 2001/02, a total of 260 funded on-line student spaces were allocated to the public post-secondary education system, an increase of 200 FTEs from the previous year. The FTEs were allocated in three on-line programs. In future years, additional funded student spaces and the implementation of integrated support services will enable AVED to meet this commitment. • This commitment is assisted by private training delivery, which supports additional program delivery in diverse areas such as business, high tech occupations, as well as areas of high demand such as the health sector and trades.
Support the 5% tuition cut and tuition freeze and fully fund it in the 2001/02 fiscal year to offset costs to post-secondary institutions.	• Funding to compensate institutions for reduced revenue as a result of the 5% reduction in tuition fee levels was provided.

With Ministry of Finance:	
Consult with educators, students and administrators on the hidden costs to students and institutions of previous tuition freezes that were not properly funded by government and that have reduced student access and reduced course offerings.	• In the fall of 2001, the Minister conducted an extensive consultation process on tuition. As part of this process the Minister met with student representatives, educators and administrators from all public institutions to determine their perspective on the tuition fee freeze. The information gathered through this process provided input into a new tuition policy, which was announced in March of 2002.
With the Ministry of Skills Development and Labour:	
Work with employers, post secondary institutions and the Industry Training and Apprenticeship Commission to increase training and apprenticeships in trades and technical sectors.	• $75.99 million was allocated in fiscal 2001/02 to fund industry training and apprenticeship programs.
Coordinate to direct funding to areas of critical skills shortages training.	• The Ministry has established a Provincial Industry Training Transition Advisory Committee to advise on strategies for industry training, which will position the province to respond strategically to projected skills shortages.
Cooperate with the Ministry of Skills Development and Labour and Intergovernmental Relations to ensure we maximize our share of federal research funds.	• AVED and IGR staff held discussions with officials from the provincial public universities to formulate a strategic approach to further this initiative. This project is currently under development.
With the Ministry of Health Planning:	
Expand training and post secondary programs to graduate more Care Aides, Licensed Practical Nurses and Registered Nurses.	• As part of a $21 million package of nursing initiatives to address the province's nursing shortage, government announced 177 new education and training spaces allocated as follows: 78 for registered Nursing programs, 49 for licensed practical nursing programs and 50 for resident care aide programs. These spaces were provided to participating public post-secondary institutions in January 2002. The Ministry will continue to address this commitment in future years through additional funded student spaces in these programs as well as allied health programs identified as priority areas by the Ministry of Health Planning.
Develop Rural and Remote Training program and provide forgivable loans to students attending accredited nursing and medical schools provided they practice for five years in under-served communities in BC.	• AVED announced a $1.32 million loan forgiveness program for nursing and medical students who agree to work for five years in underserved areas of the province. Implemented in November 2001, the program offers students graduating during or after 2000/01 a chance to write off all outstanding BC loan debt at a rate of 20 per cent per year of practice, up to five years.

With the Ministry of Health Planning: — *Continued*	
Increase the number of medical school graduates over next five years.	• Within *New Era* initiatives, planning began in 2001/02 to increase the number of medical school graduates in British Columbia. This plan includes a new collaborative model of physician education involving UBC, UNBC and UVic, a new $110 million Life Sciences Centre at UBC and capital investments to facilitate medical education at UNBC and UVic. A new model of medical education will use existing UBC curriculum with adaptation to employ extensive use of distributed learning or "telemedicine". The Northern Medical Program at UNBC will address special issues for northern communities including Aboriginal and environmental health, and injury management. The Island Medical Program at UVic will add expertise in biomedicine, nursing and neuro psychology as well as in specific population areas such as aging and youth. Start up funding of $5.0 million will be provided in 2002/03 to allow for planning, curriculum development and library acquisitions. In future years, additional funded FTEs will be provided to the provincial post-secondary system to enable AVED to meet the *New Era* commitment.
Develop a 10 year human resource plan that properly provides for the training, recruitment and retention of physicians, nurses, specialists and other health care providers in every area of the province and that addresses critical skills shortages and staffing levels in under serviced areas.	• AVED is participating in the development of a 10-year health human resource plan as led by the Ministry of Health Planning (MOHP). AVED also participates in the Health Human Resources Advisory Committee (HHRAC), which is led by the Ministry of Health Planning. HHRAC is the primary forum to address health human resource issues for the province and is composed of educators, health care employers, provincial government representatives, unions and professional associations. For future years, the Ministry will continue to support MOHP and ensure that expansion of post secondary health programs is closely aligned with the overall 10 year human resource plan.
Increase training spaces and recruitment of foreign trained nurses and physicians.	• AVED funded two classes of English as a Second Language for foreign-educated nurses. In future years, the Ministry will continue to work with the Ministry of Health Planning and the province's public post-secondary institutions to identify further opportunities for meeting this commitment.
Train more social workers to meet the critical skills shortages.	• AVED staff, in consultation with officials from the Ministry of Children and Family Development, determined that there was a shortage of aboriginal social workers and child and youth care workers. In future years, additional funded student spaces will be provided to the public post-secondary system to enable AVED to meet this *New Era* Commitment.
With the Ministry of Competition, Science and Enterprise (MCSE)	
Consolidate and rationalize scientific activities within government.	• While MCSE has the lead on this project, AVED officials were consulted in 2001/02 on possible next steps to further this initiative and will continue to be involved in future discussions as this project progresses.

Performance Reporting

Based on the Ministry goals and objectives, 22 measures were selected to measure ministry performance. In this report, each goal and objective is followed by the Ministry or system activity that contributes to the goal (strategic objective), and the way the achievement of that goal will be measured (performance measure).

Goal 1 — A Top-Notch Post-Secondary Education System

This government is committed to providing British Columbia with a top-notch post-secondary education system. This can be accomplished in part by providing British Columbia students with an accessible, affordable, high quality and relevant post-secondary education. The Ministry's role is to provide leadership, policy direction and funding for the system. Within the goal of a top-notch education system, the Ministry has identified the following four main strategic objectives:

1. Promote a more efficient and integrated post-secondary education system
2. Enhance student choice
3. Improve quality of education
4. Balance the costs and benefits of post-secondary education

Link to Government Priorities

Priority 1 A top-notch education system for students of all ages.

Priority 8 Greater equity and equality for British Columbia in Canada

Linkages to Core Business:

Educational Institutions and Organizations

The Ministry provides base funding to four traditional universities and two specialized universities, five university colleges, eleven community colleges, three provincial institutes, two Aboriginal institutes and the Open Learning Agency.

Debt Service Costs and Amortization of Prepaid Capital Advances

The Ministry provides funding to finance capital projects, including upgrades, renovations, replacements, expansions and new facilities.

Performance Measures by Objective:

Goal 1, Objective 1 — Promote a more efficient and integrated post-secondary education system by:

- **Improving Graduation Rates** — The Ministry works with post-secondary institutions to improve success.
- **Encouraging System Integration** — The Ministry works with the post-secondary system to develop a more coherent and integrated system.

Performance Measure #1: Number of degrees, diplomas and certificates awarded in the public system

Reason for the measure: The availability of a skilled workforce will be a determining factor in the development of British Columbia's economy in the coming years. This performance measure provides an indication of the number of graduates from degree, diploma and certificate programs in British Columbia's public post-secondary education system, as well as the number of certificates issued for completion of a trades training program.

How the results are measured: Currently, only data on the number of degrees awarded by the public universities are available. In addition, degrees are awarded from university colleges, British Columbia Institute of Technology and Emily Carr Institute of Art and Design. Work is underway to obtain information on college diplomas and certificates, which should be available in fiscal 2002/03. The information on trades certificates issued is from the Apprenticeship Information Management System operated by ITAC.

Data reliability: The degrees awarded are self-reported to the University Presidents' Council of British Columbia. The information is considered a quantifiable, reliable measure, which is based on the main focus of their business. Trades certificates are issued by ITAC and the information is very reliable.

	Target	Actual	Variance
Number of degrees, diplomas and certificates awarded	Establish baseline in 2001/02	• In 2000/01, BC public universities conferred 12,644 undergraduate and 2,974 graduate degrees *(Note: 2001/02 numbers are not yet available)* • In 2001/02, 3,044 Certificates of Apprenticeship, 4,483 Certificates of Qualification, and 2,983 Red Seal Certifications were issued	N/A

Performance Measure #2: Mandate, roles and responsibilities of the system reviewed.

Reason for Measure: Beginning in 2002/03, this measure will be used to determine progress toward fulfilling the *New Era* commitments to promote cooperation and better integration between post-secondary institutions, and to reshape institutions into a more coherent system with differentiated institutions working together in a complementary fashion.

How the results are measured: The introduction of legislation or policy direction from the Ministry to the system in 2002/03 will clarify government structures and institutional mandates and lead to a more responsive post-secondary system. Early results can be measured through student satisfaction surveys and increased number of transfer arrangements between institutions.

Data Reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Mandate, roles and responsibilities of the system reviewed	N/A	Review underway	N/A

Performance Measure #3: Number of credit transfer arrangements.

Reason for Measure: The number of course transfer agreements in place in the public post-secondary system provides an indication of the number of opportunities for students to receive credit for course work completed at one post-secondary institution when pursuing further education at another post-secondary institution.

How the results are measured: The number of course transfer agreements was determined from the BC Council of Admissions and Transfers — (BCCAT) 2001/02 Annual Report. The number of transfer agreements identified in the table includes only a handful of private institutions (Columbia College, Coquitlam College, Corpus Christi College, and Trinity Western University). The Ministry also encourages linkages between private and public institutions and the articulation and development of transfer arrangements.

Data Reliability: Very reliable

	2001/02 target	2001/02 Actual	Variance
Number of credit transfer arrangements	N/A	*March 31, 2002* - Number of course transfer agreements = 47,281 *March 31, 2001* - Number of course transfer agreements = 45,392	N/A

Goal 1, Objective 2 — Enhance Student Choice

- **Expand On-line Access —** The Ministry works to develop e-Merge/B.C. campus on-line initiatives.
- **Expand Degree Granting Options for Students —** The Ministry works to expand the number of degree-granting institutions through the development of a quality assurance board.

Performance Measure #4: Enactment of enabling legislation

Reason for Measure: The *Degree Authorization Act* will make it possible for private institutions and public institutions from outside the province to grant BC degrees, will enhance degree-granting opportunities for BC public post-secondary institutions, will ensure that BC degree programs have a solid education foundation, are marketable and are of high quality and that BC students will have a wider variety of choice and flexibility in their pursuit of post-secondary education.

How the results are measured: Measure will be completed when the quality assessment process, criteria and board are established and the *Degree Authorization Act* is brought into force.

Data Reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Enactment of enabling legislation	N/A	Development of *Degree Authorization Act* for enactment in 2002/03	N/A

Performance Measure #5: Number of new FTE's enrolled in on-line learning

Reason for Measure: Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* Commitment to strengthen our network of colleges, institutes and on-line learning through the province.

How the results are measured: In the post-secondary education sector, annual FTE reporting is the usual process for performance measure of productivity. Annual FTEs are reported by each institution to AVED via specific guidelines established by the Ministry, or, in the case of the universities, via guidelines set by The University Presidents' Council of British Columbia. In this case, participating institutions will report the net increase of spaces provided and actual number of students enrolled in on-line learning programs.

Data Reliability: Annual FTE reporting is a process audited by external organizations; therefore, this data would have a high degree of reliability.

	2001/02 target	2001/02 Actual	Variance
Number of new FTE's enrolled in on-line learning	N/A	Baseline to be established in 02/03	N/A

Goal 1, Objective 3 — Improve Quality of Education

- **Quality Enhancement** — The Ministry recognizes that quality is in part reflected by the value students place on the education they receive.

Performance Measure #6: Student Outcomes: critical thinking, communications, problem solving

Reason for Measure: Student feedback on their education experience is an important indicator of the quality and relevance of the post-secondary education system. For colleges, the measure reflects college students' assessment of how well their education program enabled them to acquire communications (written and oral), critical thinking and/or problem solving skills. For universities, the measure reflects university students' assessment of how the communication and problem solving skills they gained in their education were used in the performance of their job. The level of skill gain students indicate they received from their education experience is thought to be a reflection of the quality of education offered.

How the results are measured:

Colleges & Institutes: The College and Institute Student Outcomes Survey is an annual survey of former students of public colleges, university colleges, institutes and the Open Learning Agency. Data are collected through a telephone survey of students who have completed all or a significant portion of their programs within the last 9 to 20 months. The survey asks former students questions on their activities subsequent to leaving their program, and if they are satisfied with the education they received. The most recent survey available is from the 2001 survey of students who left their program at some point between July 1, 1999 and June 30, 2000.

Universities: The University Baccalaureate Graduate Survey is an annual survey of baccalaureate graduates for the five public universities in B.C. Data is collected on graduates of baccalaureate programs (excluding graduates from medical and dental programs, international students, and those currently living outside North America), two and five years after graduation. The most recent survey data available is from the 2001 survey of students who graduated in 1996. Data reported for the 2001

survey only represents graduates of the University of British Columbia, Simon Fraser University, the University of Victoria and the University of Northern British Columbia: There were no graduates from Royal Roads University in 1996.

Data Reliability: It is not possible to directly compare information collected from former college students and university graduates owing to the differences between the two survey methodologies, including when former students are contacted and what questions they were asked. Both surveys were designed and are administered by representatives of British Columbia post-secondary institutions and the Ministry of Advanced Education, with data collection conducted by reputable and well established survey organizations. As a result, the data is considered by all participants to be as reliable as is possible for student outcome surveys.

	2001/02 target	2001/02 Actual	Variance
Student Outcomes: critical thinking, communications, problem solving	Baseline	**Colleges & Institutes** % of former students who indicated their program prepared them 'very well' or 'well' for the following skills*: Written Communication = 74% Oral Communication = 73% Analysis/Problem Solving = 80% **University** % of graduates who indicated the following skills were used "to a great extent" and "to some extent" in performing the duties of their main job Verbally expressing opinions and ideas = 96% Clear and concise writing = 93% Resolving issues and problems = 97%	N/A

* Excludes students who indicated skill was not applicable to their program

Performance Measure #7: Student Outcomes: usefulness of education in performing job

Reason for Measure: This measure reflects students' assessment of the degree to which the knowledge and skills they gained through their education enable them to perform the tasks required of them in their employment. For colleges, the measure reflects the students' assessment of how their overall education is applied (useful) in their employment. For universities, this measure reflects whether the knowledge and skills students obtained through their education were required to perform their employment tasks. This measure provides an indication of the relevance of post-secondary education to the labour market.

How the results are measured:

Colleges & Institutes: The College and Institute Student Outcomes Survey is an annual survey of former students of public colleges, university colleges, institutes and the Open Learning Agency. Data are collected through a telephone survey of students who have completed all or a significant portion of their programs within the last 9 to 20 months. The survey asks former students questions on their activities subsequent to leaving their program, and if they are satisfied with the education they received. The most recent survey available is from the 2001 survey of students who left their program at some point between July 1, 1999 and June 30, 2000.

Universities: The University Baccalaureate Graduate Survey is an annual survey of baccalaureate graduates for the five public universities in B.C. Data is collected on graduates of baccalaureate programs (excluding graduates from medical and dental programs, international students, and those currently living outside North America), two and five years after graduation. The most recent survey data available is from the 2001 survey of students who graduated in 1996. Data reported for the 2001 survey only represents graduates of the University of British Columbia, Simon Fraser University, the University of Victoria and the University of Northern British Columbia: There were no graduates from Royal Roads University in 1996.

Data Reliability: It is not possible to directly compare information collected from former college students and university graduates owing to the differences between the two survey methodologies, including when former students are contacted and what questions they were asked. Both surveys were designed and are administered by representatives of British Columbia post-secondary institutions and the Ministry of Advanced Education, with data collection conducted by reputable and well established survey organizations. As a result, the data is considered by all participants to be as reliable as is possible for student outcome surveys.

	2001/02 target	2001/02 Actual	Variance
Student Outcomes: usefulness of education in performing job	Baseline	**Colleges & Institutes** 77% of students employed found their education 'very' or 'somewhat' useful in performing their job **University** 66% of graduates indicated their employer required them to have a bachelor degree to perform their main job. This suggests that the knowledge and skills students required in order to achieve their bachelor degree were useful in the performance of their job.	N/A

Goal 1, Objective — Balance the costs and benefits of post-secondary education

- **Develop a New Tuition Policy** — The Ministry works to develop a tuition policy to replace the tuition fee freeze.
- **Revise the existing funding formula** — The Ministry works to review and simplify the existing funding formula.

Performance Measure #8: Develop a new tuition policy

Reason for Measure: A new tuition policy was required to replace the tuition freeze, which had imposed hidden costs on post-secondary education. These hidden costs included reduced student accessibility and reduced course offerings at institutions.

How the results are measured: The *Miscellaneous Statutes Amendment Act* repealed the *Access to Education Act*, which had reduced tuition fees for 2001/02 by five per cent and froze them at that level. As a result of the legislation, tuition fees were deregulated retroactive to March 31, 2002.

Data Reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Develop a new tuition policy	N/A	*Access to Education Act* repealed and new policy developed where institutions set their own tuition levels	N/A

Performance Measure #9: Establishment of results-based block funding.

Reason for Measure: Block grant funding will give institutions increased autonomy and flexibility in managing their institutions and will also facilitate multi-year planning. The focus on results-based funding reflects government's emphasis on more accountability to taxpayers.

How the results are measured: Beginning in 2002/03, the provincial government operating grants for public colleges, university colleges and institutes are allocated through block funding. Universities' funding was always provided through a block grant. A new funding mechanism for public post-secondary institutions is under development and will be implemented in 2004/05.

Data Reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Establishment of results-based block funding.	N/A	N/A	N/A

Goal 2 — Economic and Social Development

The Ministry will strive to ensure that the post-secondary education system is relevant and responsive to the needs of a continuously changing economy and labour market. The Ministry will focus on providing post-secondary students with the skills and knowledge required for British Columbia's workforce and economy, and to respond to any critical shortages in the labour market. Within this goal, the Ministry has identified the following three main strategic objectives:

5. Address shortages in strategic skills areas
6. Expand training and skills development
7. Expand research capabilities in the province

Link to Government Priorities

Priority 2 High health care services that meet all patients' needs where they live and when they need it.

Priority 3 A thriving private sector economy that creates high paying job opportunities

Priority 6 The fastest growing technology industry in Canada

Priority 8 Greater equity and equality for British Columbia in Canada

Linkages to Core Business:

Educational Institutions and Organizations

The Ministry provides base funding to four traditional universities and two specialized universities, five university colleges, eleven community colleges, three provincial institutes, two Aboriginal institutes and the Open Learning Agency.

Industry Training and Apprenticeship

The Ministry works to expand training opportunities in industry growth areas, particularly high technology and other knowledge industries, and to promote awareness of industry training and apprenticeships among young people.

Student Financial Assistance Programs

Student financial assistance is a comprehensive program of financial aid available to students at the post-secondary level. It combines repayable loans and non-repayable assistance in the form of grants and debt reduction measures awarded on the basis of each student's financial need. Additional assistance is provided through Special Programs (e.g., Loan Forgiveness for Doctors/Nurses, Nurses Education Bursary, and grants to students with disabilities).

Performance Measures by Objective:

Goal 2, Objective 5 — Reduce shortages in strategic skills areas

- **Increase high-technology graduates** — The Ministry works to address shortages in specific high technology fields.
- **Increase health care and social worker graduates** — The Ministry works to address specific skill shortages in health care and social work.

Performance Measure #10: Number of new computer science, electrical and computer engineering student spaces

Reason for Measure: The first target reflects new student seats added as part of the targeted high tech FTEs distributed through the annual budget allocations in April 2001. While high tech FTEs were added to a range of eligible programs, only those seats added to computer science, electrical and computer engineering programs were included for the purposes of this target. Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* commitment to double the annual number of graduates in computer science, and electrical and computer engineering, within five years.

How the results are measured: In the post-secondary education sector, annual FTE reporting is the usual process for performance measure of productivity. Annual FTEs are reported by each institution to AVED via specific guidelines established by the Ministry, or, in the case of the universities, via guidelines set by The University Presidents' Council of British Columbia. In this case, participating institutions will report the net increase of spaces provided and actual number of students enrolled in computer science, and electrical and computer engineering programs in future years.

Data Reliability: Annual FTE reporting is a process audited by external organizations; therefore, this data would have a high degree of reliability.

	2001/02 target	2001/02 Actual	Variance
Number of new computer science, electrical and computer engineering student spaces			
Number of targeted high tech FTEs allocated to computer science, electrical and computer engineering student spaces (April 2001)	75	75 (Estimated)	0
New Era initiative	N/A	Developed target of 825 additional funded student spaces to be provided to institutions in 2002/03	N/A

Performance Measure #11: Number of new social/child protection worker student spaces

Reason for Measure: The first target listed below reflects new student seats added through annual budget allocations in April 2001. Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* commitment to train more social workers to meet the critical skills shortage.

How the results are measured: In the post-secondary education sector, annual FTE reporting is the usual process for performance measure of productivity. Annual FTEs are reported by each institution to AVED via specific guidelines established by the Ministry or, in the case of the universities, via guidelines set by The University Presidents' Council of British Columbia. In this case, participating institutions will report the net increase of spaces provided and actual number of students enrolled in social work and child and youth care programs in each of the years 2002/03, 2003/04 and 2004/05.

Data Reliability: Annual FTE reporting is a process audited by external organizations; therefore, this data is reliable.

	2001/02 target	2001/02 Actual	Variance
Number of new social/child protection worker student spaces			
2001/02 Budget (April 2001)	35	35 (*Estimated*)	0
***New Era* initiative**	N/A	Developed target of 20 additional funded student spaces to be provided to institutions in 2002/03	

Performance Measure #12: Number of new RN's, LPN's and RCA and other allied health student spaces (FTEs)

Reason for Measure: This measure assesses the number of new student seats added to registered nurse, licensed practical nurse; resident care attendant and other allied health professional programs. The first target reflects new student seats added through annual budget allocations in April 2001. The second target of 72 FTEs is the proportional share of spaces for fiscal year 2001/02 (January to March) of the 177 student spaces announced in August 2001. In 2002/03, these 72 spaces will be annualized to the full complement of 177 new seats.

How the results are measured: In the post-secondary education sector, annual FTE reporting is the usual process for performance measure of productivity. Annual FTEs are reported by each institution to AVED via specific guidelines established by the Ministry or, in the case of the universities, via guidelines set by The University Presidents' Council of British Columbia. In this case, participating institutions will report the net increase of spaces provided and actual number of students enrolled in registered nurse, licensed practical nurse and registered care aide programs.

Data Reliability: Annual FTE reporting is a process audited by external organizations; therefore, this data is reliable.

	2001/02 target	2001/02 Actual	Variance
Number of new RN's, LPN's and RCA and other allied health student spaces (FTEs)			
2001/02 Budget (April 2001)	615	615 *(Estimated)*	0
***New Era* initiative (August 2001)**	72	72 *(Estimated)*	0
***New Era* initiative (2002/03)**	N/A	Developed target of 653 additional funded student spaces to be provided to institutions in 2002/03	

Performance Measure #13: Number of new medical school student spaces (FTEs)

Reason for Measure: Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* commitment to increase the number of medical school graduates over the next five years.

How the results are measured: In the post-secondary education sector, annual FTE reporting is the usual process for performance measure of productivity. Annual FTEs are reported by each institution to AVED via specific guidelines established by the Ministry or, in the case of the universities, via guidelines set by The University Presidents' Council of British Columbia. In this case, participating institutions will report the net increase of spaces provided and actual number of students enrolled in medical education programs.

Data Reliability: Annual FTE reporting is a process audited by external organizations; therefore, this data is reliable.

	2001/02 target	2001/02 Actual	Variance
Number of new medical school student spaces (FTEs)	8	8 *(Estimated)*	0

Performance Measure #14: New medical facilities

Reason for Measure: Beginning in 2003/04 this measure will be used to help in the implementation of the *New Era* Commitment to increase the number of medical school graduates.

How the results are measured: Participating institutions will be able to report on the increase in the actual number of students in the medical education programs. Design of individual facilities responds to planning criteria determined by student and staff FTE numbers and program requirements, and funding ability of government plus possible additional sources of funding. Budget models are utilized to ensure a standardization of performance, and measurement against similar components. Construction timeframe is a determinant of educational program scope and capacity of the designed facility, which is measured in net assignable and building gross areas. Construction completion and facility occupancy dates provide the time period in which the facility is put on the institution's inventory, and measurement of FTE utilization of space can be undertaken.

Data Reliability: Institutions require government approvals to undertake academic program facility projects in order to receive funding and to proceed to design and construction. Project cash flow and implementation is monitored during all phases to ensure satisfactory achievement of facilities on time and on budget.

	2001/02 target	2001/02 Actual	Variance
New medical facilities	N/A	Planning for facilities underway in 01/02 Construction to begin in fiscal 02/03	N/A

Goal 2, Objective 6 — Expand training and skills development

- **Increase Industry Training** — The Ministry works to increase general trades training and apprenticeships.

Performance Measure #15: Number of new training spaces

Reason for Measure: The number of new training spaces is a primary indicator of the capacity of the industry training system to ensure British Columbia meets the demand for skilled workers.

How the results are measured: ITAC measured the results by collecting individual program outputs through the Apprenticeship Information Management System (AIMS), information received by training institutions and contracted training providers for entry-level trades training, apprenticeship technical training, secondary school apprenticeship, industry training, skills upgrading, and under-represented group programs.

Data Reliability: Funded FTE numbers are used to measure entry-level trades training spaces and may not reflect actual outputs. ITAC receives audited figures from the colleges and training institutions six to eight months after fiscal year end.

	2001/02 target	2001/02 Actual	Variance
Number of new training spaces	N/A	26,771 (baseline, actual FTE's)*	N/A

Note: Includes entry-level trades training, apprenticeship technical training, secondary school apprenticeship, industry training, skills upgrading, and under-represented group program

Goal 2, Objective 7 — Expand research capabilities in the province

- **Strengthen the provincial research capacity** — The Ministry supports research and creative thinking.

Performance Measure #16: Number of leading edge chairs funded

Reason for Measure: Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* commitment to establish a "Leading Edge Endowment Fund" based on cost-sharing partnerships with the private sector to establish 20 permanent BC Leadership Chairs across the province in the fields of medical, social, environmental and technological research. In this case, AVED will report annually the net increase of BC Leadership Chairs funded and actual number of BC Leadership Chairs funded until all 20 chairs have been established. In fiscal 2001/02, a $25.5 million contribution was made to the Leading Edge Endowment Fund (LEEF).

How the results are measured: The results will be measured by counting the number of leadership chairs that are established in a given fiscal year.

Data Reliability: High

	2001/02 target	2001/02 Actual	Variance
Number of BC Leadership Chairs	N/A	Targets for establishing chairs, along with an implementation plan, will be developed for 2002/03 baseline	N/A

Performance Measure #17: Funding support for research

Reason for Measure: Beginning in 2002/03, this measure will be used to determine the progress toward meeting the *New Era* commitment to increase research funding for colleges, universities and institutes in the province.

How the results are measured: The 2001/02 actual figures are derived from 1999/00 (latest year available) sponsored research income information reported to the Canadian Association of University Business Officers (CAUBO) by the University of British Columbia, Simon Fraser University, University of Victoria, University of Northern British Columbia, Royal Roads University, Okanagan University College and University College of the Cariboo. The University College of the Fraser Valley and the Open Learning Agency also report to CAUBO, but did not report any sponsored research income in 1999/00; Trinity Western University also reports to CAUBO but its figures are not included here as it is not an institution in the public post-secondary education system.

Data Reliability: Financial information reported to CAUBO is drawn from audited financial statements and would therefore have a high degree of data reliability.

	2001/02 target	2001/02 Actual	Variance
Funding support for research	N/A	Federal Govt — $117 million Provincial Govt — $27 million Business sources — $43 million Other sources — $42 million **Total — $229 million**	N/A

The Provincial Government category is comprised as follows:

British Columbia Knowledge Development Fund (BCKDF)	2,747,000
Ministry of Health (now Ministries of Health Planning and Health Services)	7,264,000
Ministry of Forests/FRBC	2,704,000
Other Provincial Ministries	2,645,000
Science Council of BC	5,172,000
BC Health Research Foundation	2,439,000
Other/Not specified	3,745,000
TOTAL	26,716,000

Data from Statistics Canada and the Canadian Association of University Business Offices based on university self-reporting
Research funding formerly provided by the Ministry of Health now provided by Ministries of Health Services and Health Planning

Goal 3 — Responsive and Effective Management

In order to achieve the goal of responsive and effective management of the post-secondary system, the Ministry must ensure accountability, effective use of resources and long-term stability of the entire post-secondary education system. An integral step to achieving this goal is to provide students with financial assistance services, and provide leadership to the post-secondary education system. Within this goal, the Ministry has identified the following two strategic objectives:

8. Improve Ministry business practices

9. Develop a post-secondary education accountability framework

Link to Government Priorities

Priority 9 — The most open, accountable and democratic government in Canada.

Priority 10 — Responsible, accountable management of public resources and tax dollars

Linkages to Core Business:

Student Financial Assistance Programs
Student financial assistance is a comprehensive program of financial aid available to students at the post-secondary level. It combines repayable loans and non-repayable assistance in the form of grants and debt reduction measures awarded on the basis of each student's financial need. Additional assistance is provided through Special Programs (e.g. Loan Forgiveness for Doctors/Nurses, Nurses Education Bursary, and grants to students with disabilities).

Program Management
The Ministry provides leadership and direction, establishes policy and accountability, and provides funding to the system.

Performance Measures by Objective:

Goal 3, Objective 8 — Improve ministry business practices

- **Management of student financial assistance** — The Ministry ensures the Student Financial Assistance program is delivered efficiently.
- **Ministry reorganization** — The Ministry realigns itself to focus on core business and deliver *New Era* commitments.
- **Reduction in red tape** — The Ministry works to achieve the government's objective of reducing red tape by one-third.

Performance Measure #18: Student aid application turnaround time

Reason for Measure: This performance measure indicates the average number of days to process an application for student aid from date of receipt to date of first successful assessment. The measure indicates the efficiency of the client service provided by the Ministry.

How the results are measured: The average is determined using data from end-user reports from the Student Services Branch of the Post Secondary Education Division. Data can be generated at any time for the period up to the end of the previous week.

The turnaround time average covers all applications received during the fiscal year and includes those without errors (processed quickly) and those with errors (longer processing time). The measure does not differentiate between peak periods for receiving applications and quieter periods of the school year.

Data Reliability: The data warehouse was renovated and tested extensively during the fiscal year. The data for this measure is cleaner and more accurate (reflected in the actual performance for this year). Data for previous years is now available.

	2001/02 target	2001/02 Actual	Variance
Student aid application turnaround time	17 days	17 days	0

Explanation of Variance: The target for this year was achieved. This measure was also contained in the 2001/04 performance plan. The average turnaround time in 2000/01 was 19 days, and the target was to decrease to 12 days for 2003/04.

Performance Measure #19: Ministry program management budget as a percentage of overall Ministry budget

Reason for Measure: This performance measure compares Program Management to the overall spending for the Ministry. The measure provides an indication of the efficiency in administering Ministry programs.

How the results are measured: The results are measured by comparing the total program management costs by the total operating costs for the Ministry.

Data Reliability: The source of the budget (Target) information is from the 2001/02 Estimates. The source of the expenditure (Actual) information is from the 2001/02 Public Accounts.

	2001/02 target	2001/02 Actual	Variance
Ministry program management budget as a percentage of overall Ministry budget	1.14% (not in Service Plan)	1.14 % (baseline)	None

Explanation of Variance: Anticipated outcomes matched the actual results.

Performance Measure #20: Regulatory requirements eliminated

Reason for Measure: The Ministry has committed to contribute towards government's goal of reducing red tape by one-third, but year-to-year reduction targets are not specifically identified in the Ministry's Service Plan. The Ministry is currently operating in Year 1 of its Three-Year Regulatory Reduction Plan. Amendments introduced in the Spring 2002 legislative session, once implemented, will ensure the Ministry contributes towards the government-wide goal of reducing regulatory requirements by one third by fiscal 2004/05.

How the results are measured: The results will be measured by the actual number of regulations eliminated in the ministry.

Data Reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Regulatory requirements eliminated	N/A	Review of Ministry red tape requirements conducted and recommendations for reduction forwarded to Cabinet.	N/A

Goal 3, Objective 9 — Develop a post-secondary education accountability framework

- **Formalizing a new accountability framework —** The Ministry works to develop a new results-based performance management system.

Performance Measure #21: Establishment of accountability framework

Reason for Measure. The government has introduced a new approach by which the Ministry will manage its responsibilities for the post-secondary education system. Central to this approach is the enhancement of quality through increased institutional autonomy and accountability for results. The accountability framework will articulate what institutions are being held accountable for, how success will be measured and what reporting is required.

How the results are measured: The framework will be developed and announced in 2002/03. Completion of the framework will conclude this measure.

Data reliability: N/A

	2001/02 target	2001/02 Actual	Variance
Establishment of accountability framework	N/A	Development of framework underway	N/A

2001/02 Resource Summary — Ministry of Advanced Education

	Estimated	Other Authorizations	Total	Actual	Variance
Operating Expenses ($000)					
Minister's Office	468	0	468	334	134
Program Management	21,197	1,400	22,597	21,694	902
Educational Institutions and Organizations (EIO)	1,381,886	42,000	1,423,886	1,426,683	(2,797)
Grants in Lieu of Property Taxes	700	0	700	517	183
Industry Training and Apprenticeship Commission	86,341	0	86,341	82,452	3,889
Student Financial Assistance Programs (SFA)	153,990	0	153,990	168,056	(14,066)
Debt Service Costs	142,300	0	142,300	131,048	11,252
Amortization of Prepaid Capital Advances	93,700	0	93,700	93,700	0
Youth Programs	13,477	0	13,477	12,973	504
Total	**1,894,059**	**43,400**	**1,937,459**	**1,937,459**	**0**
Full-time Equivalents (FTEs)					
Total	359	0	359	333	26
Ministry Capital (Expenditures) ($000)					
Information Systems	3,413	0	3,413	2,094	1,319
Other	393	0	393	23	370
Total	3,806	0	3,806	2,117	1,689
Consolidated Capital Plan Expenditures ($000)					
Prepaid Capital Advances — Universities, Colleges and Institutes	123,000	0	123,000	77,739	45,261
Total	123,000	0	123,000	77,739	45,261
Other Financing Transactions (Net Disbursements) ($000)					
BC Student Loan Program (Net of Recoveries) (BCSL)	113,000	0	113,000	84,848	28,152
Total	113,000	0	113,000	84,848	28,152

- The Ministry incurred restructuring costs of $3.6 million as a result of the government's restructuring plan. This was funded in part from government contingencies ($1.4 million).

- EIO — $2.8 million over budget due to payments of $25.5 million to an endowment fund which will match private sector contributions to establish Leading Edge Chairs at BC universities in the areas of medical, social, environmental and technological research.

- TechBC Lease Buy Out ($42 million) — cost of settlement with ICBC to release TechBC and government of the lease obligation in the Central City development in Surrey, due to the wind down of the university. Funded by Government Contingencies.

- Industry Training and Apprenticeship — $3.9 million savings due to slowdown in spending as a result of restructuring of the program.

- SFA - BC Grants was $20.8 million higher than budget due to higher than anticipated demand for this program. This was offset by savings of $6.5 million in interest costs associated with the BCSL program.

- Debt service savings resulted primarily from lower interest rates.

- Prepaid Capital Advances — Consolidated capital plan expenditures was $45 million lower due to 12 projects being deferred to accommodate *New Era* commitments.

- BCSL was $28 million lower due to lower than anticipated demand for the program.

Link Between Expenditures, and Core Business Objectives and Ministry Goals:

Ministry Core Business	Ministry Goals	Expenditures ($000), Actual
Educational Institutions and Organizations	• A Top-Notch Post-Secondary System • Economic and Social Development	$1,426,683
Industry Training and Apprenticeship	• Economic and Social Development	$82,452
Student Financial Assistance	• Economic and Social Development • Responsive and Effective Management	$108,056
Debt Service Costs and Amortization of Prepaid Capital Advances	• A Top-Notch Post Secondary System	$224,748
Program Management	• Responsive and Effective Management	$21,694

Appendix A

List of Legislation Administered by the Ministry of Advanced Education

Access to Education

Accountants (Certified General)

Accountants (Chartered)

Accountants (Management)

Applied Science Technologists and Technicians

Architects

Architects (Landscape)

College and Institute

Engineers and Geoscientists

Industry Training and Apprenticeship

Institute of Technology

Music Teachers (Registered)

Open Learning Agency

Private Post-Secondary Education

Public Education Flexibility and Choice Act

Royal Roads University

Technical University of British Columbia

Trinity Western University Foundation

University

University Foundations

University of Northern British Columbia

Workers Compensation (s. 3 (6))

Appendix B

Glossary of Performance Planning and Reporting Terms

Annual Report — *A New Era Update*	A ministry document for fiscal year 2001/02. Although the BTAA as amended takes effect for the 2002/03 fiscal year, and does not technically apply to reports for 2001/02, the intention is that the report should resemble future reports under the BTAA to the extent that is appropriate and practicable in the current circumstance of change of government and extensive reorganization.
Annual Service Plan Report:	A ministry document required by the amended *Budget Transparency and Accountability Act* (BTAA) from fiscal year 2002/03 onwards. This report may contain information normally found in a traditional annual report, with the additional requirement that a ministry's performance in meeting its service goals and targets is emphasized in the document. The document must link directly back to the ministry's corresponding service plan. In addition the document must contain a signed statement from the responsible minister to the effect that the minister is accountable for the actual results reported.
Core Business area:	A set of key activities or programs or budget areas related to the purpose, role and mandate of the ministry. Most ministries will have three-to-six core business or program areas.
Efficiency measure:	Measuring the relationship between the amount of input (usually dollars or employee time) and the amount of service output or outcome of an activity or program.
Full-time equivalent	(FTE): The equivalent of one person working 1,827 hours in one year; includes employees whose salaries are paid directly from the Consolidated Revenue Fund. In the case of students an FTE is the equivalent of one person taking the full annual course load.
Goal:	Goals are the long-term ends that the ministry (or a business or program area) wants to achieve in fulfilling its mandate and mission. Goals must be realistic and achievable.
Input measure:	A measure of the amount of resources (dollars and FTEs) used to undertake a function.
Mission:	The reason for the ministry's existence. The statement identifies what the ministry does, why it does it, and for whom. It also reminds the public and other government entities of the unique purposes promoted and served by the ministry. The ministry's goals, objectives and strategies must be consistent with its mission statement.
Objectives:	Objectives are concise, realistic, results-oriented statements of what service results a ministry or core service area achieves in the short term on the way to accomplishing its goals. Objectives must be stated in a way that clearly communicates what is to be achieved and measured or assessed, and when.

Outcome measure:	Measuring the results and consequences or changes in conditions, behaviours or attitudes that indicate progress in achieving a program's or ministry's mission and goals. Outcomes may be immediate, ultimate, or somewhere in between.
Output measure:	A measure of the level of service provided by a program (i.e., what and how much came out of a program or service). The measurable unit can be a number, percentage or ratio.
Performance measure:	A performance measure (sometimes referred to as an indicator) can be used to measure/indicate the degree of success a ministry has in achieving its goals and objectives. When a measure has a specific numeric value attached to one aspect of the performance under consideration, it is then typically referred to as a performance indicator.
Performance Plan:	See Service Plan *Note: The amended BTAA (August 2001) adopts the term "Service Plan" to replace the previously used term, "Performance Plan".*
Performance target:	Targets express pre-set, quantifiable performance levels to be attained at a future date.
Planning context:	Summary information for critical thinking about, deciding on, and preparing a future course of action. A planning context assesses the ministry's internal strengths, weaknesses, challenges and opportunities. The context examines factors within the ministry that can positively or negatively affect its ability to accomplish its mission, goals and objectives. The planning context also assesses external forces that significantly affect the ministry.
Program:	A set of activities with clearly defined, dedicated resources and common measurable objectives that are coherent and consistent.
Result:	A consequence, issue or outcome of an action or series of actions. Often used synonymously with "outcome" and/or "output."
Service plan:	A plan that describes a ministry's purpose or mission, its direction or vision, its goals and objectives, the operational strategies and resources it intends to use to achieve those objectives, and how it will know if it has been successful (i.e., through the use of performance measures and targets).
Strategic context:	The strategic context of a service plan provides high-level information that describes where a ministry is now. It usually includes a ministry's vision, mission, values and planning context.
Strategic plan:	The high-level, government-wide corporate document that outlines the government's vision, mission, values and key priorities for the medium to long term.

Strategies:	Strategies are the actions that describe how objectives are to be achieved. Other terms used to describe strategies are programs, projects, initiatives and activities, among others.
Values:	The value statement expresses a ministry's core values or fundamental beliefs. Values define the ministry's management style, organizational values, and code of conduct for personal and organizational behaviour.
Vision:	A clear and compelling picture of a ministry's preferred future; where the ministry is going, and where it wants to be. This vision must be sufficiently desirable and challenging to motivate and inspire ministry employees and influence decision-making.